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To: R. A. Fenner **Date:** April 15, 1992

From: K. A. Mitchell

Subject: **Modification of the Brands Contained in the Main Domestic CI Report**

The bimonthly domestic CI report which is divided into the main section and the minor section contains analytical results on about 270 brands from six manufacturers. The main report contains information on 180 brands where annual sales exceed 0.15 billion[1]. These brands are tested monthly for FTC Tar and physical and chemical parameters related to paper, filter and blend. During 1991 the testing protocol was changed so that complete testing is performed on every brand each month. This improved protocol has resulted in increased reliability in associations made between physical testing results and smoking results. New trends are now traceable to specific production months. Each brand is requested from ten different cities in an attempt to get a representative sample. A second section of the CI report contains minor brands which are tested twice per year.

Newly introduced national brands are tested monthly and after four production months of testing, these brands are entered into the main report regardless of their sales performance. As a result of these additional brands, more resources are required to perform routine testing on this growing list of new brands.

I propose that the composition of the main and minor CI sections be modified. The main CI would contain the following:

All new brands nationally available less than twenty-four months;

All R. J. Reynolds products regardless of sales (except 120mm);

All brands where 1991 sales exceeded 1.5 billion cigarettes;

Selected brands representing a market where development activity is anticipated; and

A representative from a competitor's brand family where the brand is readily available even if all members have sales less than 1.5 billion.

This proposal would affect about 60 brands as shown in Table 1 (attached). These brands would be moved from the main report section into the minor brand category and would be tested twice per year rather than monthly. Also, all 120 mm products will be moved to the minor brand category. All minor brands will be continually surveyed in terms of sales performance and will receive main CI sampling and testing once sales justify the effort.

Source: https://www.industrydocuments.ucsf.edu/docs/fmmk0001

Through this change we will be able to focus the efforts and resources of our domestic CI testing program to more effectively address our major competition and development programs.

K. A. Mitchell

Attachment

[1]1991 Year-end sales in billions of cigarettes - Philip Morris Marketing Research, January 1992.

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